

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION OF)
TIDEWATER UTILITIES, INC. FOR)
APPROVAL PURSUANT TO 26 DEL. C. §215) PSC DOCKET NO. 18-0125
TO ENTER INTO A LONG-TERM DEBT)
OBLIGATION (FILED FEBRUARY 20, 2019;)
AMENDMENT FILED MARCH 11, 2019))

ORDER NO. 9363

AND NOW, this 2nd day of April, 2019, the Delaware Public Service Commission ("Commission") determines and orders the following:

WHEREAS, on February 20, 2018, Tidewater Utilities, Inc. ("Tidewater") filed an application ("Application") with the Commission pursuant to 26 Del. C. § 215(a)(2), requesting approval of the issuance of a long-term debt obligation in the principal amount of up to \$933,300 with a fixed interest rate of 2.0% from the Delaware Drinking Water State Revolving Fund (the "SRF Loan"); and

WHEREAS, On March 13, 2018, in Order No. 9196, the Commission approved the request; and

WHEREAS, on March 11, 2019, Tidewater filed an amendment letter ("Amendment") pursuant to 26 Del. C. § 215(e)(3), seeking Commission approval of an amendment to the previously approved plan, due to actual construction bid costs exceeding the projected estimates for the project; and

WHEREAS, Tidewater now estimates that it will require approval of an SRF Loan with a principal amount of \$1,696,455, due to the complexity of the project. The actual bids include construction with a lack of good drawings on existing infrastructure and working within narrow rights-of-way while maintaining active customer service and is therefore seeking

an amendment of Order No. 9196 previously approved by the Commission;
and

WHEREAS, the new loan amount has been calculated in summary by three sections, as seen in Exhibit A, and are as follows: Melcar's construction bid of \$1,575,038.40 (break down shown in Exhibit B), meters, remote read and meter pits supplies cost of \$37,375.00 and third party engineering at a cost of \$84,041.70, resulting in the new total requested of \$1,696,455.00. The new loan will be \$763,155 more than the previously approved loan of \$933,300; and

WHEREAS, Commission Staff ("Staff") reviewed the Amendment to ensure compliance with the statutory provisions of 26 Del. C. § 215(e)(3) and the minimum filing requirements for all regulated companies subject to the jurisdiction of the Commission, 26 Del. Admin. C. § 1002 (the "Regulations"), and found no errors or omissions; and

WHEREAS, Tidewater has filed with the Commission the necessary documentation to support its request for an amendment to the original application; and

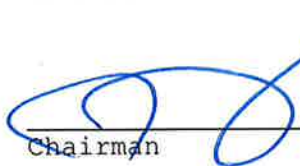
WHEREAS, Staff has submitted to the Commission a memorandum that confirms the Amendment meets all of the requirements for granting this amendment pursuant to 26 Del. C. § 215(e)(3) and the Regulations. Accordingly, Staff has recommended that the Commission approve the Amendment to increase the SRF loan amount to \$1,696,455.

**NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE
VOTE OF NO FEWER THAN THREE COMMISSIONERS:**

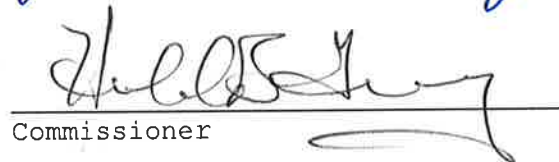
1. Pursuant to 26 Del. C. § 215(e)(3), Tidewater's request to amend Order No. 9196 and increase its SRF loan from \$933,300 to \$1,696,455 is APPROVED.

2. The Commission reserves the jurisdiction and authority to enter such further orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:


Chairman

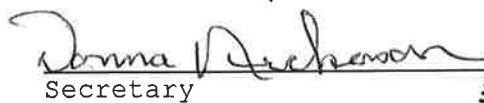

Commissioner


Commissioner


Commissioner


Commissioner

ATTEST:


Secretary



"Exhibit A"

Bruce O'Connor

Subject: Tidewater (Holiday Pines) - Supplemental Funding Letter

From: Bruce Patrick
Sent: Thursday, March 7, 2019 10:09 AM
To: Bruce O'Connor
Cc: Kirsten Higgins; Brian Carbaugh; Greg Coury
Subject: RE: Draft - Tidewater (Holiday Pines) - Supplemental Funding Letter

Good morning Bruce.

The overall loan amount would be \$1,696,455 and has been filled in on the attached.

In summary, the total loan is determined by:

Melcar's construction bid: \$1,575,038.40 (bid attached)

Meters, remote reads, meter pits: \$37,375.00 (we supply)

Third party Engineering: \$84,041.70 (we've been billed ~\$50K to date; which we can get reimbursed, we may not need all \$84K)

Total : \$1,696,455

Original loan: \$933,300

Supplemental loan: 763,155

Thanks,

Bruce

Bruce E. Patrick, P.E., MBA
Vice President & General Manager
TIDEWATER UTILITIES, INC.

"Southern Delaware's Premier Water Company Since 1964"

Phone: 302-747-1336 Cell: 302-218-9335



bpatrick@tuiwater.com

"Exhibit B"

Bidder agrees to perform all the necessary work described in the specifications and shown on the plans, for the following unit prices.

Holiday Pines Distribution System Replacement

WO # 1708145
PO # 1900002604

Item No.	Estimated Quantity	Description	Unit Price (Words and Figures)	Total
1	2680 LF	12" PVC C909 CL 235 water main	One hundred Seven (\$ 107.00)	(\$ 286,760.00)
2	4130 LF	6" PVC C909 CL 235 water main	Ninty four & Twenty one (\$ 94.21)	(\$ 389,100.00)
3	910 LF	12" FPVC C900 DR18 directional drill	One hundred Eighty four (\$ 155.00)	(\$ 141,050.00)
4	770 F	12" FPVC C900 DR18 directional drill	One hundred Eighty four (\$ 155.00)	(\$ 119,350.00)
5	80 LF	Jack & Bore 20" Sch. 40 steel casing w/ 12" PVC C909 CL235 water main	Seven hundred Eighty six & Seventy Seven (\$ 786.77)	(\$ 62,942.00)
6	60 LF	Open cut 20" Sch. 40 steel casing w/ 12" PVC C909 CL235 water main	22.00 (\$ 0)	(\$ 0)

Company Name/Address:

MELCAR UNDERGROUND
749 Pequest Road
Oxford, NJ 07863

Bidder agrees to perform all the necessary work described in the specifications and shown on the plans, for the following unit prices.

Holiday Pines Distribution System Replacement

Item No.	Estimated Quantity	Description	Unit Price (Words and Figures)	Total
7	50 LF	Open cut 20" Sch. 40 steel casing w/ 12" PVC C909 CL235 water main	 (\$ 0)	(\$ 0)
8	9 EA	Hydant assembly	Three thousand five hundred (\$ 3,500.-)	(\$ 31,500.-)
9	7 EA	12" gate valve/box	Two thousand five hundred (\$ 2,500.-)	(\$ 17,500.-)
10	16 EA	6" gate valve/box	Two thousand five hundred (\$ 2,500.-)	(\$ 40,000.-)
11	3 EA	2" temporary blow-off	One thousand eight hundred (\$ 1,800.-)	(\$ 5,400.-)
12	69 EA	Service lateral (per Detail A-1), material provided by TUI	Two thousand (\$ 2,000.-)	(\$ 138,000.-)

Company Name/Address:

MELCAR UNDERGROUND
749 Pequest Road
Oxford, NJ 07863

Bidder agrees to perform all the necessary work described in the specifications and shown on the plans, for the following unit prices.

Holiday Pines Distribution System Replacement

PO # 1900002604

Item No.	Estimated Quantity	Description	Unit Price (Words and Figures)	Total
13	12 EA	Service lateral (per Detail A-18), material provided by TUI	Two thousand (\$ 2,000.-)	(\$ 24,000.-)
14	69 EA	Tie-in to existing service line (S&D curb stop w/ PVC valve box required)	One thousand five hundred (\$ 1,500.-)	(\$ 103,500.-)
15	1 EA	Tie-in to existing 8" water main	Twenty two thousand nine hundred & twenty eight (\$ 22,928.-)	(\$ 22,928.-)
16	1 LS	Mobilization	Thirty thousand (\$ 30,000.-)	(\$ 30,000.-)
17	1 LS	Restoration	One hundred & two thousand four hundred thirty (\$ 102,430.-)	(\$ 102,430.-)
		Total Base Bid Items 1 through 17		(\$ 1514,460.-)

Bond add

\$ 60,578.40

MELCAR UNDERGROUND

749 Pequest Road

Oxford, NJ 07863